



Economic Development Incentive Programs Update

Mayor & City Council
August 19, 2013

Economic Development Toolbox

- Designed to provide diversified economic development incentives that can be broadly applied to existing businesses and eligible commercial buildings/spaces across the City.
- Consists of a program of one-to-one matching grants directed toward businesses that exhibit growth potential and provide stable, well-paying jobs.

Matching Grants

- Tenant Fit-Up
- Job Training
- Commercial Signage Assistance
- Demolition Assistance
- ADA & Utility Upgrades

Cytomedix

A grant for \$21,546 was awarded to Cytomedix to assist with tenant improvement costs for approximately 3,000 sq. ft. of additionally leased space at 209 Perry Parkway.

- Category: Tenant Fit-Up
- Status: Complete
- Jobs: 10



Johnson Bernat Associates

A grant for \$10,292 was awarded to Johnson Bernat Associates to assist with the cost of purchasing and installing a new multi-tenant monument sign at 205 N. Frederick Ave and upgrading the first-level bathrooms to make them ADA compliant.

- Category: Signage & ADA Upgrade
- Status: Complete
- Jobs: 14



Johnson ♦ Bernat ♦ Associates, Inc.

IT Innovative Solutions

A grant for \$17,900 was awarded to IT Innovative Solutions to assist with tenant improvement costs for approximately 9,000 sq. ft. of newly leased space at 818 West Diamond Avenue.

- Category: Tenant Fit-Up
- Status: Complete
- Jobs: 16



Gaithersburg Air Conditioning & Heating

A grant for \$50,000 was awarded to Gaithersburg Air Conditioning & Heating to assist with tenant improvement and other costs for approximately 16,800 sq. ft. of newly purchased space at 227 East Deer Park Drive.

- Category: Tenant Fit-Up, Demolition, ADA Compliance
- Status: Complete
- Jobs: 50



Lentigen

A grant for \$1,115 was awarded to Lentigen to assist with two courses to enhance employee skill sets.

- Category: Job Training
- Status: Complete
- Jobs: 22



Steben & Company

A grant for \$34,000 was awarded to Steben & Company to assist with tenant improvement and ADA upgrade costs for approximately 14,000 sq. ft. of newly leased space at 9711 Washingtonian Boulevard.

- Category: Tenant Fit-Up, ADA Compliance
- Status: Underway
- Jobs: 41



Encon Group

A grant for \$22,454 was awarded to Encon Group to assist with tenant improvement costs for approximately 11,200 sq. ft. of newly leased space at 630 East Diamond Avenue.

- Category: Tenant Fit-Up
- Status: Nearly Complete
- Jobs: 23



Yoyogi Sushi

A grant for \$2,000 was awarded to Yoyogi Sushi to assist with tenant improvement costs for approximately 1,000 sq. ft. of newly leased space at 328 Main Street.

- Category: Tenant Fit-Up
- Status: Complete
- Jobs: 10



Manhattan Pizza

A grant for \$48,947 was awarded to Manhattan Pizza to assist with costs for improving approximately 4,000 sq. ft. of newly leased space at 312A East Diamond Avenue.

- Category: Tenant Fit-Up, Demolition, ADA Compliance, Utility Upgrades
- Status: Complete
- Jobs: 10



Quince Diamond Ltd Partnership (555 QO Road)

Two grants totaling \$16,546 were awarded to Quince Diamond Ltd. Partnership to assist with tenant improvement costs for two spaces totaling approximately 8,300 sq. ft. of newly purchased space at 555 Quince Orchard Road.

- Category: Tenant Fit-Up
- Status: Complete
- Jobs: 18



Toolbox Program Recap

- Toolbox (Approved & Pending Grants):
 - Tenant Fit-Up: \$142,242
 - Commercial Signage: \$5,000
 - Job Training: \$1,115
 - ADA & Utility Upgrades: \$45,360.50
 - Demolition Assistance: \$31,082.50
 - TOTAL TOOLBOX ASSISTANCE: \$224,800
 - TOTAL PRIVATE INVESTMENT: \$2,016,271
 - JOBS CREATED OR SUPPORTED: 214

Economic Development Opportunities Fund

- The Economic Development Opportunities Fund was established in 2010 to support unique business development opportunities and to provide a ready pool of cash that can be drawn from to help entice companies to, or remain within, the City of Gaithersburg.
- This program was initially funded with \$2,000,000 in 2010.

Sodexo

- A grant for \$500,000 was awarded by the City as part of a joint incentive package with Montgomery County and the State of Maryland to retain Sodexo's North American HQ at 9801 Washingtonian Boulevard.
- Sodexo will retain a minimum on-site workforce of 563 employees, and have committed to hiring a minimum of an additional 50 employees by December 31, 2015.



GeneDX

- A grant for \$225,000 was awarded to assist with improvements to 45,000 sq. ft. of existing space and for build-out costs associated with 29,000 sq. ft. of additionally leased office and lab space at 205 & 207 Perry Parkway.
- GeneDX will retain 206 full-time employees at the site and hire a minimum of an additional 50 employees by December 31, 2016.



Historic Toolbox Funding

- FY 2010 \$250,000.00
- FY 2011 \$200,000.00
- FY 2012 \$190,000.00
- FY 2013 \$190,000.00
- FY 2014 \$190,000.00
- Total Funds: \$1,020,000.00

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- Less Disbursements: \$529,505.00
- Remaining Funds: \$490,495.00

Program Modifications

- Tightening Job Training component
 - Restrict allowable job training grants to career-specific courses.
- Extending the \$2/ Sq. Ft. Tenant Build-Out Grant to successful, well established, retail businesses seeking to expand within or relocate to a ground floor space along Kentlands' Main St.
- Surveying biotech CEO's, brokers, and commercial landlords for additional recommendations.